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17 CFR Ch. II (4–1–01 Edition)

with respect to the financial statements including the transactions to which such records relate.

(m) *Use of technical accounting terms.* For purposes of the schedules, traditional accounting terms such as ledgers, journals, registers and vouchers refer to the function rather than the form of the record. All refer to quasi-permanent records, designed to collect, classify and in some aspects summarize, various types of the company's transactions. They are interrelated and, in another traditional term, are the principal constituents of the books of account, including subsidiary ledgers and registers. The retention periods apply to records serving this function, regardless of form. A multiple purpose record, such as a service company stock stub which also serves as the shareholder's ledger, or a voucher file which also serves as the journal, referred to more than once in the schedule, is governed by the longest reten-

tion period applying to any of its functions. For brevity, the term "note" is used in the schedule to refer to an evidence of debt maturing within one year of its creation, which was not the subject of an offering registered under the Securities Act of 1933. The term "debenture" refers to a document evidencing any other unsecured debt. The term "mortgage" refers to any form of secured obligation, "bond" refers to a document evidencing a secured debt in whole or part, and "mortgagee" refers to the holder of a mortgage or bond and includes any person, such as an indenture trustee, authorized to act for a mortgagee.

(Approved by the Office of Management and Budget under control number 3235–0306)

(Secs. 15 and 20(a); Public Utility Holding Company Act of 1935, and §250.26(d) and §250.93 of Title 17 CFR)

[49 FR 27310, July 3, 1984]

§ 257.2 Schedule.

SCHEDULE OF RECORDS RETENTION PERIODS

Description of records	Retention period
CORPORATE AND GENERAL	
1. Records of Securities:	
(a) Capital stock and debt ledgers	3 years after the holder's account is closed.
(b) Subscription accounts, warrants, requests for allotments, and other essential papers related thereto.	Destroy at option after settlement and audit.
(c) Stubs or similar records of the issuance of securities	3 years after cancellation of certificate.
(d) Paid or cancelled notes	Destroy at option after changes are recorded.
(e) Letters, notices reports, statements and other communications distributed to all holders of a particular class:	
(1) Annual reports	50 years.
(2) Solicitations of consents or waivers	Destroy at option after expiration of consent or waiver and audit.
(3) Notices of redemption or invitations for tender	Destroy at option after consummation and audit.
(4) Interim reports, dividend notices, notices of change of corporate address, and similar communications of information of only current significance.	Destroy at option after audit.
(f) Dividend interest and coupon registers, lists or similar records	3 years after payment.
(g) Paid dividend or interest checks	3 years after issuance.
(h) Trust indentures, loan agreements or other contracts or agreements securing debt securities issued.	3 years after redemption.
(i) Copies of reports, statements, letters or memoranda filed with Trustee(s) pursuant to provisions of trust indenture or other security instrument or agreement securing debt securities issued.	3 years after redemption.
(j) Leases pertaining to rentals of property to or from others	3 years after expiration.
(k) Contracts, agreements, and other records needed to administer or audit a dividend reinvestment plan or an employee benefit plan involving the purchase or issuance of securities.	6 years after expiration or cancellation.
2. Lists of holders of voting securities represented at meeting and executed proxies or lists certified by a person or persons qualified to do so under the applicable corporation law, showing the attendance and votes by each holder for or against each issue voted on.	3 years after date of meeting. Executed proxies may be destroyed at option; if replaced by certified lists, unless a contest of the vote is expected or pending.

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SCHEDULE OF RECORDS RETENTION PERIODS—Continued

Description of records	Retention period
<p>3. Filings with and authorizations by regulatory agencies:</p> <p>(a) Applications, registrations or other documents filed by the company with any Federal or state regulatory agency for authorization or validation of transactions; the opinion, order or other document evidencing the agency's action thereon; and any report of consummation or compliance, with respect to:</p> <p>(1) The issue, pledge or sale of securities Until all securities covered thereby are retired.</p> <p>(2) The acquisition or disposition of assets or investments Period specified by Item 18 or 19 for the asset or investment.</p> <p>(3) Contracts with affiliates 3 years after expiration.</p> <p>(4) Organization or conduct or business of the company and changes therein, including mergers. Life of corporation.</p> <p>(b) Periodic or special reports filed by the company on its own behalf with the Securities and Exchange Commission or with any other Federal or state rate-regulatory agency, including exhibits or amendments to such reports:</p> <p>(1) Annual financial, operating and statistical reports 10 years after date of report.</p> <p>(2) Monthly and quarterly reports of operating revenues, expenses, and statistics. Destroy at option after audit..</p> <p>(3) Transaction with associated companies 6 years.</p> <p>(4) Budgets of expenditures 6 years.</p> <p>(5) Accidents 6 years.</p> <p>(6) Employees and wages 5 years.</p> <p>(7) Loans to officers and employees 3 years after fully paid.</p> <p>(8) Purchases and sales of property For period specific refer to property records (See Item 18).</p> <p>4. Organization Documents:</p> <p>(a) Title, franchises, and licenses:</p> <p>(1) Certificates of incorporation, or equivalent agreements and amendments thereto. Life of corporation.</p> <p>(2) Deeds leases and other title papers (including abstracts of title and supporting data), and contracts and agreements related to the acquisition or disposition of property or investments. 6 years after property or investment is disposed of unless delivered to transferee.</p> <p>(b) Minute books of stockholders, directors' and directors' committee meetings. 50 years.</p> <p>(c) Minutes of meetings of system committees 6 years after close of fiscal year.</p> <p>(d) Organization diagrams and charts Destroy at option after expiration or supersession.</p> <p>(e) Permits or Licenses:</p> <p>(1) Permits or licenses to conduct any part of the company's business 6 years after expiration.</p> <p>(2) Permits or licenses for vehicles or equipment, or for other activities in the ordinary course of business. Destroy at option after expiration and audit.</p> <p>5. Contracts and Agreements:</p> <p>(a) Contracts and agreements entered into by the company for the procurement of services, such as management, consulting, accounting, legal, financial or engineering services. 6 years after cancellation or expiration.</p> <p>(b) Contracts or agreements with individual employees, labor unions and other employee organizations relative to wage rates, hours, and similar matters. 6 years after expiration of contract.</p> <p>(c) Memoranda essential to clarify or explain provisions of contracts and agreements. For same period as contract to which they relate.</p> <p>(d) Card or book records of contracts or agreements showing renewal or expiration of same and records of performance. For same peirod as contract to which they relate.</p>	
ACCOUNTING	
<p>6. Books of Account:</p> <p>(a) General and subsidiary ledgers 50 years.</p> <p>(b) Trial balance sheets of general and subsidiary ledgers or equivalent records. Destroy at option after audit.</p> <p>(c) Journals: General and subsidiary journals or ledgers of original entry 50 years.</p> <p>(d) Cash books: General and subsidiary or auxillary books 6 years.</p> <p>(e) Voucher registers: Voucher registers or similar records 6 years.</p> <p>7. Journal Vouchers and Other Papers Supporting Entries:</p> <p>(a) Vouchers supporting general and subsidiary journal entries and papers forming part of or necessary to support and explain vouchers relating to:</p> <p>(1) Organization, fixed assets, investments, issuance of capital stock, funded debt, and related accounts. 50 years, except for supporting documents included in Item 4(a)(2), or Items 8, 18 or 19.</p> <p>(2) All other accounts 6 years after settlement.</p> <p>(b) Schedules for recurring journal entries 6 years after settlement. Destroy when superseded if not a part of a journal entry in which event Item 6(c) applies.</p>	

SCHEDULE OF RECORDS RETENTION PERIODS—Continued

Description of records	Retention period
(c) Lists of standard journal entry numbers	Destroy when superseded.
(d) Material and supplies disbursement and labor distribution records	6 years.
8. Vouchers Evidencing Disbursements:	
(a) Paid and cancelled vouchers, including analysis sheets showing detailed distribution of charges on individual vouchers and other supporting papers.	6 years.
(b) Original bills and invoices for materials, services, etc., paid by vouchers.	6 years.
(c) Authorization for the payment of specific vouchers	6 years.
(d) Lists of unaudited bills (accounts payable), lists of vouchers transmitted and memoranda recording changes in unaudited bills.	6 years.
(e) Voucher indices	Destroy at option.
(f) Paid checks other than interest dividend and payroll checks. (See Item 1(k) for interest and dividend checks and Item 16(d) for payroll checks.	6 years.
(g) Purchases and stores records related to disbursement vouchers	6 years.
9. Accounts Receivable:	
(a) Records of all accounts receivable, indices to accounts receivable and summaries of distribution of such accounts.	3 years after settlement.
(b) Accounting department copies of invoices issued and supporting papers which do not accompany the original invoices and authorizations for charges including supporting papers.	3 years after settlement.
INSURANCE AND TAXES	
10. Insurance Records:	
(a) Records of insurance policies in force showing coverage, premiums paid and expiration dates.	Destroy at option after expiration of such policies but not less than 6 years.
(b) Insurance policies	Destroy at option after expiration of such policies but not less than 6 years.
(c) Records of self-insurance against (1) losses from fire and casualty, (2) damage to property of others, and (3) personal injuries.	6 years after date of last accounting entry with respect thereto.
(d) Records of amounts recovered from insurance companies in connection with losses and records of claims against insurance companies including reports of losses and supporting papers.	6 years after settlement.
(e) Inspectors' reports and reports of condition of property	Destroy when superseded.
(f) Reports of losses not covered by insurance	Destroy at option after audit.
(g) Insurance maps of property and structures erected thereon	Destroy when superseded.
(h) Records and statements relating to insurance requirements	Destroy at option.
11. Injuries and Damages:	
(a) Claim registers, card or book indices and similar records in connection with accidents resulting in damage to the property of others or personal injuries.	Destroy at option after settlement and audit.
(b) Detailed schedules or spread sheets of payments to others for personal injuries or for property damage.	Destroy at option after settlement and audit.
12. Tax Records:	
(a) Copies of schedules, returns and supporting working papers to taxing authorities and records of appeals:	
(1) Federal income taxes	6 years after settlement.
(2) Agreements between and schedule of allocation by associate companies of consolidated federal income taxes.	6 years after settlement.
(3) Other taxes, including state or local property or income taxes	Destroy at option after settlement and audit.
(b) Tax bills from taxing authorities and receipts for payment	3 years after settlement.
(c) Summaries of taxes paid by classes of taxes, location, or taxing authority.	6 years.
TREASURY	
13. Statements of Funds and Deposits:	
(a) Summaries and periodic statements of cash balances on hand and with depositories for company or associate.	Destroy at option.
(b) Requisitions and receipts for funds furnished associates and others	Destroy at option after funds have been returned or accounted for.
(c) Records of fidelity bonds of employees and others responsible for funds of the company.	Destroy at option after liability of bonding company has expired.
14. Records of Deposits with Banks and Others:	
(a) Bank deposit slips or similar records, including authorizations for and statements of transfers of funds from one depository to another.	Destroy at option after audit.
(b) Statements from depositories showing the details of funds received, disbursed, and transferred and balances on deposit.	Destroy at option after audit.
(c) Bank reconciliation papers	Destroy at option after audit.

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SCHEDULE OF RECORDS RETENTION PERIODS—Continued

Description of records	Retention period
(d) Statements from banks of interest credits	Destroy at option after audit.
(e) Check registers or other records of checks issued, including correspondence.	6 years.
15. Records of Receipts and Disbursements:	
(a) Daily or other periodic statement or receipts or disbursements of funds.	Destroy at option after audit.
(b) Records of periodic statements of outstanding vouchers, checks, drafts, etc., issued and not presented.	Destroy at option after audit.
(c) Reports of associates showing working fund transactions and summaries thereof.	Destroy at option after audit.
PAYROLL AND PERSONNEL RECORDS	
16. Payroll Records:	
(a) Payroll sheets or registers of payments of salaries and wages, pensions and annuities paid by company or by contractors of its account.	6 years.
(b) Records showing the distribution of salaries and wages paid for each payroll period and summaries or recapitulations of such distribution.	6 years.
(c) Time tickets, timesheets, timecards, workmen's reports, and other records showing hours worked, description of work, and accounts to be changed.	Destroyed at option if the basic information contained thereon is transferred to work orders or other records.
(d) Paid checks, receipts for wages paid in cash and other evidences of payment.	3 years.
(e) Authorizations for changes in wage and salary rates, summaries and reports of changes in payrolls and similar records.	6 years.
(f) Payroll authorizations, records of authorized positions, and terminations.	6 years.
(g) Comparative or analytical statements of payroll	6 years.
17. Personnel and Employee Benefit Records:	
(a) Records of employees' service, and rates of compensation	3 years after termination of employment.
(b) Detailed records of company's computation for its contribution, plus a copy of plan.	6 years after termination of pension or annuity plan.
(c) Records pertaining to employees' benefit programs, including pension and profit sharing plans.	6 years after termination of program.
(d) Bulletins or memoranda of general instructions issued by the company to employees pertaining to accounting, engineering, maintenance and construction methods and policies.	3 years after expiration or supersession.
PROPERTY, DEPRECIATION AND INVESTMENTS	
18. Property Records, excluding documents included in Item 4(a)(2):	
(a) Land and land rights records	6 years after disposition.
(b) Building, permanent facilities and leasehold investment records	3 years after disposition, termination of lease, or write-off of property or investment.
(c) Operating equipment records	3 years after disposition, termination of lease or write-off of property or investment.
(d) Office furniture and equipment records	3 years after disposition, termination of lease or write-off of property or investment.
(e) Automobiles, other vehicles and related garage equipment records ..	3 years after disposition, termination of lease or write-off of property or investment.
(f) Aircraft and airport equipment records	3 years after disposition, termination of lease or write-off of property or investment.
(g) Other property records not defined elsewhere	3 years after disposition, termination of lease or write-off of property or investment.
(h) Construction work in progress records, income ledgers, work order sheets, authorizations for expenditures, requisitions, performance reports and analysis or cost reports.	10 years after clearance to property accounts.
(i) Depreciation and amortization of property records	Destroy at option after expiration of retention period as described for respective type of property records in 18(a) through 18(g).
19. Investment Records:	
(a) Records of investment in associate companies	3 years after disposition of investment.
(b) Records of other investments, including temporary investments of cash.	3 years after disposition of investment.
20. Appraisals and valuations made by the company of its properties or investments or of the properties or investments of any associated companies.	3 years after disposition, termination of lease or write-off of property or investment.

SCHEDULE OF RECORDS RETENTION PERIODS—Continued

Description of records	Retention period
WORK ORDER AND JOB ORDER RECORDS	
21. Work order and job order records including authorization documents, estimated cost memoranda, work order sheets for posting labor, material and other services, and summaries of expenditures for clearance to other accounts.	6 years after completion of work order.
22. Production maps, geological maps, reproductions, including aerial photographs, showing the location of all facilities the subject matter of which falls within the work orders of the company.	6 years after completion of work order.
23. Engineering records, drawings, supporting data to include diagrams, profiles, photographs, field-survey notes, plot plans, detail drawings, and records of engineering studies that are part of or performed by the company within the work order system.	6 years after completion of work order.
24. Records of building space occupied by various departments of the company.	6 years.
AUDIT, BUDGET AND STATISTICAL REPORTS	
25. Financial, Operating, and Statistical Reports not subject to Item 3(b)(1):	
(a) Reports of examinations and audits by accountants and auditors not in the regular employ of the Company. (Including reports of public accounting firms and regulatory commission accountants.)	6 years after date of report.
(b) Internal audit reports and working papers	6 years after date of report.
(c) Annual reports regularly prepared in the course of business for internal administrative or operating purposes.	6 years after date of report.
(d) Quarterly, monthly or other periodic reports	Destroy at option after audit.
26. Budgets and other forecasts (prepared for internal administrative or operating purposes) of estimated future income, receipts and expenditures in connection with financing, construction and operations and acquisitions or disposals of properties or investments by the company and its associated companies, including revisions of such estimates and memoranda showing reasons for revisions; also records showing comparison of actual income and receipts and expenditures with estimates.	6 years.
27. Other Miscellaneous Records:	
(a) Copies of advertisements by the company on behalf of itself or any associate company in newspapers, magazines and other publications including records thereof. (Excluding advertising of product, appliances, employment opportunities, services, territory, routine notices and invitations for bids for securities, all of which may be destroyed at option.)	6 years after date of publication.
(b) Indices of forms used by the company	Destroy at option when superseded.

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(Secs. 15 and 20(a); Public Utility Holding Company Act of 1935, and §250.26(d) and §250.93 of title 17 CFR)

[49 FR 27310, July 3, 1984]

PART 259—FORMS PRESCRIBED UNDER THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

Sec.

259.0–1 Availability of forms.

Subpart A—Forms for Registration and Annual Supplements

259.5a Form U5A, for notification of registration filed under section 5(a) of the Act.

259.5b Form U5B, for registration statement filed under section 5(b) of the Act.

259.5s Form U5S, for annual reports filed under section 5(c) of the Act.

Subpart B—Forms for Applications and Declarations

259.101 Form U–1, application or declaration under the Public Utility Holding Company Act of 1935.

259.113 Form U–13–1, for applications for approval of mutual service companies pursuant to Rule 88 (§250.88 of this chapter).

Subpart C—Forms for Statements and Reports

259.206 Form U–6B–2, for notification of security issues exempt under section 6(b) of the Act.